

REMARKS

Reconsideration and allowance are respectfully requested in light of the above amendments and the following remarks.

The Office Action points out that the claims are in "product-by-process" format, and as a result, are examined based on the resulting structure rather than the method recited therein. The independent claims are hereby amended to be in method format. New claims 20 and 21 are added; these claims are supported by the original specification and claims. Accordingly, these claims do not involve any new matter.

Claims 1-3, 6-10, 18 and 19 stand rejected under 35 USC 102(e) as allegedly being anticipated by Ogasawara et al. (U.S. Patent No. 6,136,473). Claims 4 and 5 stand rejected under 35 USC § 103(a) as allegedly being unpatentable over Ogasawara et al. in view of Furukawa et al. (U.S. Patent No. 6,136,473).

In asserting the 35 USC 102(e) rejection, the Office Action cites column 5, lines 13-63 of Ogasawara et al.

However, the Applicants respectfully submit that this reference merely teaches to subject nickel hydroxide and a rare earth compound to an oxidation treatment with the oxidizing agent in the aqueous alkaline solution, as disclosed by claim 1 thereof. Thus, according to the process of Ogasawara et al., the

nickel hydroxide and non-activated rare earth compound are combined during the oxidation step.

According to Ogasawara et al., by subjecting the nickel hydroxide with the additive, i.e., non-activated rare earth compound, to an oxidation treatment in an alkaline solution, the discharge reserve is reduced, the oxygen over-voltage during charge is improved, and a high discharge capacity is obtained (column 3, lines 6-18).

As a result, this reference fails to teach or suggest combining nickel hydroxide with an activated rare earth compound, in the absence of any non-activated compound, as recited by the present claims.

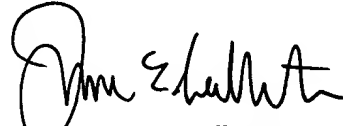
With respect to the rejection of dependent claims 4 and 5 under 35 USC 103, it is submitted that these claims are allowable for the same reasons that amended claim 18 is allowable, and also that Furukawa et al. fails to cure the deficiencies of Ogasawara et al., as described above.

Applicants respectfully request entry of the amendments, and passage of the application to allowance.

In view of the above, it is submitted that this application is in condition for allowance and a notice to that effect is respectfully solicited.

If any issues remain which may best be resolved through a telephone communication, the Examiner is requested to telephone the undersigned at the local Washington, D.C. telephone number listed below.

Respectfully submitted,



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